

23 April 1958

Subject: Contract BC-450

Reference: Letter #25434 dated 18 March 1958, DK to BJW

Dear Sir:

Please find enclosed a signed copy of referenced letter indicating this company's agreement with the instructions contained therein.

As we have discussed with you subsequent to receipt of your letter, certain types of cost which benefit the Project will continue through 30 June 1958 and are in addition to the types of costs which are authorized in referenced letter.

Specifically, test site engineering support includes Project participation in the red dot tests. In-plant engineering support of field operations is being continued on a minimum basis and it is our understanding that participation for Customers 1 and 2 will be on a 50/50 basis through 30 June 1958. P3

Concerning four (4) each B Configurations which were to be held pending disposition instructions, please be advised that we are continuing modification and overhaul work with participation by Customer 2 only per verbal instructions to proceed. P4

All work on Project A Configurations or components has been discontinued pending receipt of further instructions. P5

We are enclosing a revised schedule of funds required on subject contract through 30 June 1958. Our recommended allocation of required funds between Customers 1 and 2 gives consideration to the above discussed Project participation in certain costs. Your early action to add the required funds by contract amendment will be appreciated.

STATINTL

It is our understanding that these rates will be incorporated in the contract for the period 1 February 1958 through 30 June 1958 as fixed rates replacing the provisional rates now in the contract.

Very truly yours,

HYCON MFG. COMPANY



Vice President, Engineering

STATINTL

BJW/pe

enclosures (3)